

Facts About the HI 5 Program's Weighing and Counting Options

The Department of Health (DOH) would like to ensure that the public receives the correct information regarding the calculation of deposit beverage container refunds based on count or weight.

Under DOH rules, certified redemption center site operators must inspect each customer's load of containers to verify eligibility and quantity. Operators will then pay refunds either by physically counting or weighing the load. The department inspects redemption centers to ensure proper procedures. If a customer has fewer than 50 containers, the operator must count the load, if the customer requests a count. If a customer has 50 or more containers, the operator has the option to count or to weigh. The DOH encourages site operators to count loads larger than 50, when it is reasonable to do so. If the operator chooses to weigh the containers, the refund will be determined using a conversion rate (also called a "segregated" rate) determined by the DOH. Because the conversion rate is an average of the number of containers per pound by material type (aluminum, plastic, glass, bi-metal), the customer may receive more or less refund than they expect, depending on the size and weight of the containers.

The Department of Health established the present conversion rate based on a statistical study of actual redemption loads in March 2005 and will conduct another conversion rate study this fall. It is possible that the mix of container types and even the weight of containers for some brands have changed since the first study. However, even if the new study leads to a revision of the rates, the revised rates will still only be an average, and therefore will not always get the same results as a hand count.

In order to ensure a full refund for each container, customers can redeem smaller loads or use a Reverse Vending Machine (RVM). The DOH is encouraging more locations to install RVMs by offering up to \$3 million in rebates for those who purchase RVMs and open a certified redemption center. The DOH also plans to change the program's administrative rules to increase the minimum container count from 50 to 200. This may result in slower redemptions but will address the concern that people are not getting all of their deposits back.

The program allows for two methods of deposit redemption to provide customers with more options and increased convenience. There are pros and cons for both methods. Counting results in more accurate refunds, but takes longer. Weighing is more convenient, but less accurate. Customers must decide which method is best for them. To help you decide, we have provided the pros and cons facts sheet below.

If you have questions, you may contact our office at (808) 586-4226.

<u>HI-5 Deposit Beverage Container Program –</u> Count vs. Weight: Pros and Cons Fact Sheet

The HI-5 deposit beverage container program allows for two methods of deposit redemption. There are pros and cons to both methods.

Counting

- Consumers may request that the recycler count their containers.
- Recyclers must count loads of 50 or fewer containers, and many recyclers have been counting loads of up to 100 containers.
- Consumers with larger loads may ask the recycler if they are willing to count larger loads during a less busy part of the day.
- Recyclers may count loads larger than 50 containers.
- Consumers may use Reverse Vending Machines to get refunds based on count.

Pro: Consumers get back the deposit on every container.

Con: Consumers spend more time in line while waiting for operators to count loads.

Weighing

- Consumers may request their containers be weighed for redemption.
- A segregated rate is used to calculate deposit refunds on weighed loads of containers.
- The segregated rate is the average number of containers per pound by material type (plastic, glass, aluminum), multiplied by the deposit. The average will not convert each load's weight to a precise count.

Pro: Consumers spend less time waiting in line for deposit refunds. **Con:** Consumers may receive more or less refund than they expected.

Determining the Segregated Rate

- The state conducted a scientific sampling at redemption centers across the entire state to determine the average number of containers per pound by material type.
- The purpose of the segregated rate is to provide a convenient way to get refunds back on large loads (Loads too large to reasonably count and/or wait to be counted).

The Department of Health plans to conduct another segregated rate study this fall. However, even if the study determines that the rates need to be modified, the revised rates will still only be an average. The only way to refund every deposit for every container is to count.